

Coming Out Of The Cannabis Closet

With the expansion of marijuana products available, the stigma about users and the industry as a whole is dwindling.

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Big cannabis is, as its name implies, pretty big -- billions in sales, hundreds of thousands of employees, and oodles of tax revenue. Its explosive growth over the last several years is the direct result of a few baseline factors: legalization, of course (because it facilitates access and reduces risk), reduction of stigma (mostly due to national retailers doing the “hard yards” and padding their marketing budgets), and the growth of eCommerce (both as an educational tool and as an efficient way for newbies to peruse products in the comfort of their own homes).

More than anything else, though, the primary accelerant of this space has been the proliferation of discrete methods of consumption.

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The Cannabis Closet

Based on anonymous surveys, about one in seven American adults uses cannabis in a given year. That’s a ton. But it’s quite apparent to industry participants that less than one in seven American adults would publicly admit their cannabis use.

Unfortunately, there's still a stubborn stigma that still drifts around cannabis and those who use it – and that makes sense.

As a society, we have endured nearly a century of misinformation and scapegoating related to cannabis and the people who indulge in the plant. A benign helper cast as a malignant tumor. Rarely is a false perception as inextricably linked to a single source; cannabis users are lazy, and violent, and bad. Save for pockets of reasonable people, that's the only message we have heard for decades.

As a result, U.S. policy, pop culture and politics have spawned two subsets of cannabis users: those who openly flaunt their love for the plant, and those who find much the same value, but indulge more discretely. In other words, some people are still in the cannabis closet.

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Embracing Discretion

About two decades ago, only a few trailblazing states had embarked on their cannabis legalization adventures, via medical marijuana programs. Dispensaries were a thing then, though they would be unrecognizable if you were only accustomed to today's sleek and expertly-merchandised shops. But these dispensaries had far fewer products. Here's what you'd find: flower (in jars, selected with chopsticks), maybe a few pre-rolls, and, well, that's it.

There was less competition then. There were fewer licenses and the collective / cooperative setup made it less likely for patients to shop around. Less competition means less incentive to innovate. Less innovation means flower and pre-rolls and, again, that's it.

Back then, if you were a cannabis user, you purchased flower and smoked it or cooked it into really gross brownies. Back then, you had no choice but to live out of the cannabis closet.

The relatively recent phenomenon of adult-use legalization (for recreational purposes) exploded the competitive landscape. Suddenly, there were retail professionals vying for leases, and lawyers, and well-funded money men competing for a piece of the action. Competition resulted in innovation and a race to capture more of a growing pie.

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Slicing A Bigger Pie

There are two primary ways for a producer of consumer goods to grow its business. First, convince existing customers to buy more. Or, second, acquire new customers. With a variety of new product (specifically, variety in form factors for consumption) helps in with both areas.

The result has been a whole bunch of things: mints, tinctures, vape oil, gourmet chocolates, pet food, rosin, resin, transdermal patches ... the list goes on. This potpourri of product, coupled with increasingly efficient and discrete online purchasing platforms, has permitted brands to inspire more consumption by existing customers who value their privacy, and to capture new users who had previously been hesitant to defy the enduring stigma.

Yes, the stigma persists, but its potency is dwindling – thanks largely to the cornucopia of cannabis consumption options.

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